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AUTHOR Thornton, Nelson L., Jr.  
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## ABSTRACT

The cost and impact of institutions of higher education in Texas when implementing and administering federally mandated social regulations were studied. All of the 156 institutions of higher education in Texas were sent questionnaires, and 108 responded. Findings include the following: the total dollar costs for implementing and administering federally mandated social regulations (excluding social security) were projected to exceed \$31 million for all higher education institutions in Texas for the 1977-78 academic year. The average dollar cost to public institutions was \$175,036, as opposed to an average cost to private institutions of \$328,569. These costs averaged 1.28 percent of the total budget. For public institutions, 38 percent of the revenue to cover the added costs of implementing and administering federally mandated social regulations came from the state government; for private institutions, 22 percent of the revenues came from the state government. Increases in tuition have provided nearly 43 percent of the revenues needed to cover the added costs of private institutions. Rehabilitation of the handicapped and work environment types of regulations have the greatest one-time costs of implementation, whereas financial aid to students is the most costly type of regulation to administer on an annual basis. Administrators generally look to the federal government for solutions to the regulatory problems, and for funding to cover the added costs, as well. Recommendations are included.  
(Author/SW)

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THE COSTS OF FEDERALLY MANDATED  
SOCIAL REGULATIONS TO INSTITUTIONS  
OF HIGHER EDUCATION IN TEXAS

Prepared by  
Dr. Nelson L. Thornton, Jr.  
Professor of Management and Marketing  
Sam Houston State University  
Huntsville, Texas 77341

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## FOREWORD

This report was developed from data included in the dissertation: The Cost To and Impact On Institutions of Higher Education in Texas When Implementing and Administering Federally Mandated Social Regulations by Nelson L. Thornton, Jr. and submitted to the Graduate College of Texas A&M University in partial fulfillment of the requirement for the Doctor of Philosophy degree. Dr. John R. Hoyle, Associate Professor of Educational Administration served as Chairman of the Dissertation Committee. Dr. Nelson L. Thornton, Jr. is Professor of Management and Marketing at Sam Houston State University, Huntsville, Texas. Questions regarding the study should be directed to Dr. Thornton.

## HIGHLIGHTS OF THE STUDY

The total dollar costs for implementing and administering federally mandated social regulations (excluding social security) were projected to exceed \$31,000,000 for all institutions of higher education in Texas for the 1977-78 academic year.

The average dollar cost to public institutions was \$175,036 for the 1977-78 year as opposed to an average cost to private institutions of \$328,569.

The costs for reporting institutions, when calculated as a percentage of the 1978-79 institutional budget, averaged 1.28% of the total budget to be necessary for covering the costs of implementing and administering federally mandated social regulations (excluding social security). Costs, as a percent of budget, are greater for private institutions than for public institutions.

Thirty-eight percent of the revenue to cover the added costs of implementing and administering federally mandated social regulations for public institutions has come from the state government opposed to approximately 22% from the state government to private institutions. Increases in tuition have provided nearly 43% of the revenue needed to cover the added costs of private institutions.

Rehabilitation of the handicapped and work environment types of regulations have the greatest one-time costs of implementation, whereas financial aid to students is the most costly type of regulation to administer on an annual basis.

A majority of the administrators of institutions of higher education in Texas agreed that seventeen different direct and indirect cost types of impact have had significant effect on their particular institution and will continue to do so in the future.

Administrators generally look to the federal government for solutions to the regulatory problems, and for funding to cover the added costs, as well.

Administrators generally agree that federally mandated social regulations have impacted on their particular institution's adversely in many identified ways.

## INTRODUCTION

The explosive nature of the rising costs of higher education has generated public and governmental pressures for increased efficiency on the part of both public and private educational institutions. As these institutions attempt to effect greater efficiency, it appears that little has been done toward controlling or eliminating the increasing costs incurred when administering the vast number of federally imposed social regulations.

Social programs, such as equal opportunity, affirmative action, social security, occupational health and safety, and environmental protection have high priority among national goals. Higher educational institutions have not questioned the national goals of these social regulations; however, the institutions have found that the burden of funding the added costs of implementing and administering these federally mandated regulations, presidential executive orders and court orders to be one that is not easily absorbed.

While costs are known to result when complying with federally mandated social regulations, limited study has been directed toward determining the actual or estimated cost or the total present and future impact of the problem, either nationally or in Texas. It also appeared that insufficient study had been initiated toward formulating an economical methodology for sampling a large number of institutions of higher education to determine either attitudinal perceptions of the extent of the problem or discrete data regarding the problem.

## METHODOLOGY, POPULATION AND RESPONSE

The primary purpose of this research was to determine the cost and impact to institutions of higher education in Texas when implementing and administering federally mandated social regulations. Preceding the development of the primary data, a

review of the literature examined and traced the changing role and scope of higher education in the United States from their beginning to the present; examined the forces currently causing concern for the survival of institutions of higher education; examined studies previously conducted to determine the cost and impact to institutions of higher education; and examined the variety and number of federal social laws and regulations.

The review of the literature was instrumental to the development of the questionnaire which was pre-tested in interviews with four administrators of institutions of higher education prior to its use in the study. Research data utilized in the study were drawn from the total population of the universe of institutions of higher education located within the State of Texas as listed in the Yearbook of Higher Education, 1978-79 and The College Blue Book, 17th Edition, Tabular Data 1977. The survey instrument and cover letter of the Governor of the State of Texas was mailed to the attention of the President of each of the 156 institutions included in the population. A total response was received from 108 institutions, or 69.2% of the total sample (Table I). Twenty percent of the respondents completing the questionnaire were president of the institution and fifty percent vice-president with the balance consisting primarily of upper-ranked administrators. (Table II)

On receipt of the responses, the completed questionnaires were key punched for computer assistance in analysis. LIST, UNIVARIATE, CROSSTABS and TTEST statistical procedures of the SCSS Conversational Statistical Package designed for the DECSYSTEM-20 computer were utilized in the statistical analysis. The LIST procedure provided a printout of the respondents' answers which were checked for accuracy with the respondents completed questionnaire prior to testing. Frequency counts and descriptive statistics were determined through the use of the UNIVARIATE procedure. Statistics to determine the significance of the observed differences among means of particular groups were developed through the use of CROSSTABS and TTEST procedures. A Mann-Whitney U test was manually programmed to test Hypothesis one.

TABLE I  
SAMPLE POPULATION AND RESPONSE PATTERN  
BY INSTITUTION TYPE

| <u>Sample (s)</u> | <u>% of s</u> | <u>Institution Type</u>        | <u>Response (n)</u> | <u>n (%)</u> |
|-------------------|---------------|--------------------------------|---------------------|--------------|
| 156               | 100.0         | Total All Institutions         | 108                 | 100.0        |
| 99                | 63.5          | Public Institutions            | 73                  | 67.6         |
| 55                | 35.3          | 2 year                         | 39                  | 36.1         |
| 32                | 20.5          | 4 year                         | 24                  | 22.2         |
| 9                 | 5.8           | Medical, Dental, Allied Health | 8                   | 7.4          |
| 3                 | 1.9           | Technical                      | 2                   | 1.9          |
| 57                | 36.5          | Private Institutions           | 35                  | 32.4         |
| 5                 | 3.2           | 2 year                         | 3                   | 2.8          |
| 41                | 26.3          | 4 year                         | 25                  | 23.2         |
| 4                 | 2.6           | Medical, Dental, Allied Health | 4                   | 3.7          |
| 6                 | 3.8           | Seminary                       | 3                   | 2.8          |
| 1                 | .6            | Law                            | 0                   | .0           |

TABLE II

## TITLE OF RESPONDENT TO QUESTIONNAIRE

| <u>N</u> | <u>%</u>   | <u>Title</u>                                     |
|----------|------------|--------------------------------------------------|
| 22       | 20.4       | President                                        |
| 15       | 13.9       | Executive V.P., Ass't to President               |
| 24       | 22.2       | V.P. Finance, Fiscal Affairs, Treasurer          |
| 15       | 13.9       | V.P. Bus. Affairs, Planning and Development      |
| 6        | 5.6        | Dean                                             |
| 8        | 7.4        | Director Institutional Research, Special Project |
| 12       | 11.1       | Business Manager                                 |
| 2        | 1.9        | Other Titles                                     |
| <u>4</u> | <u>3.8</u> | <u>No Titles</u>                                 |
| 108      | 100.0      | TOTAL                                            |

## FINDINGS OF THE STUDY

The data were analyzed and the findings summarized with regard to each hypothesis, research question and objective of the study. This order of presentation will follow.

### HYPOTHESES

- H<sub>01</sub> There is no significant differences in the total cost incurred in implementing and administering federally mandated social regulations in public as opposed to private institutions of higher education in Texas.

Because of the extremely skewed and leptokurtic distribution of dollar costs across both public and private institutions, a non-parametric Mann-Whitney U test was employed to test the above hypothesis. The result of this analysis suggested that the dollar cost incurred in implementing and administering federally mandated social regulations does not differ significantly ( $Z = 0.8596$ ;  $p = .39$ ) between public and private institutions of higher education in Texas.

- H<sub>02</sub> The degree to which respondents felt direct and indirect costs, produced by implementing and administering federally mandated social regulations, were of significant impact on their institutions, is dependent upon whether that institution was either a public or private institution.

The differential impact of federally mandated social regulations on public vs. private institutions was independently assessed across thirteen direct cost impact areas and seven indirect cost impact areas. Independently performed Chi Square tests for independence were employed to determine whether the degree to which an institution felt any single direct or indirect cost had a significant impact, was dependent upon whether the institution was public or private.

Only the direct cost of 'other' had a significantly different impact. In view of the fact that this many Chi Square analyses, contiguously performed, are likely to produce significant findings in at least one or two cases on the basis of chance alone, it is suggested that a single significant finding fails to support the hypothesis.

that the degree of impact resulting from implementing and administering federally mandated social regulations is dependent upon whether an institution of higher education is public or private.

- 1103 The degree to which an institution anticipates that implementing and administering federally mandated social regulations will have future impact, is dependent upon whether the institution is public or private.

Twenty independent Chi Square analyses were performed to determine whether the degree to which an institution anticipated that federally mandated social regulations would have future impact on each of thirteen direct cost, and seven indirect cost factors, was dependent upon whether the institution was public or private. The results of these analyses suggest that anticipated future impacts of 'additional administrative personnel' and 'additional legal expenses' were viewed differently by administrators of public and private institution.

However, as in the previous hypothesis, this number of contiguously performed Chi Square analyses would be expected to produce more than one or two significant findings by chance alone. Therefore, although the anticipated future impact of two of the direct cost factors did appear to depend upon whether on institution was public or private, these findings were not sufficient to support the general thrust of the present hypothesis.

#### RESEARCH QUESTIONS

The primary thrust of this investigation was to determine the costs to and impacts on institutions of higher education in Texas of implementing and administering federally mandated social regulations. Research questions one and two specifically address this problem.

1. What are the costs to institutions of higher education in Texas of implementing and administering federally mandated social regulations?

The total dollar costs, as reported by seventy-three institutions, amounted to \$16,000,794 for the 1977-78 academic year. When calculated as a percentage of the budget reported by these institutions for the 1978-79 year, the costs represents 1.28% of the total budgets for implementing and administering federally mandated social regulations (excluding social security). (TABLE III)

The total dollar costs, when projected for all institutions of higher education in Texas, exceeded 31,000,000 for the 1977-78 academic year. Public institution costs were projected to be \$16.7 million opposed to \$14.3 million for private institutions. However, the reported cost as a percentage of the 1978-79 budget indicated a considerable difference between public and private institutions with the private institutions' cost being 2.43% of the budget opposed to the public institutions .95% of the budget. Private medical institutions had the highest cost as a percent of budget, 2.77%, whereas public technical institutions had the lowest cost of .2% of the budget. Other cost of budget percentages were 1.01% for public two-year institutions, 1.11% for public four-year, .71% for public medical, 1.11% for private two-year, and 2.25% for private four-year institutions. The dollar costs ranged from \$1,000 to \$2,700,000 for all types of institutions. Public institutions had an average dollar cost of \$175,036 opposed to an average cost of \$328,569 for private institutions and \$219,203 average cost for all institutions combined. Average dollar costs were \$89,058 for two-year public institutions, \$239,761 for four-year public institutions, and \$9,000 for public technical institutions. For private two-year institutions, the average cost was \$10,000 and for private four-year institutions was \$271,263. The average cost to public medical institutions was \$456,705 opposed to the average cost to private medical institution of \$702,850. (TABLE IV)

2. What are the present and potential future impacts on public and private institutions of higher education in Texas which results when implementing and administering federally mandated social regulations?

TABLE III

ADDED COSTS INCURRED WHEN IMPLEMENTING AND ADMINISTERING FEDERALLY MANDATED  
SOCIAL REGULATIONS DURING 1977-78 ACADEMIC YEAR: BY INSTITUTION TYPE,  
TOTAL AND AVERAGE DOLLAR COST AND PERCENT OF BUDGET

| N  | TYPE<br>INSTITUTION       | \$COST/INSTITUTION<br>REPORTING | \$AVE COST/INST<br>REPORTING | \$TOTAL BUDGET<br>REPORTING | REPORTING COST<br>AS % OF<br>BUDGET*** | \$TOTAL<br>COST/ALL<br>TEX INST |
|----|---------------------------|---------------------------------|------------------------------|-----------------------------|----------------------------------------|---------------------------------|
| 28 | Public-2 yr               | 2,493,627                       | 89,058                       | 245,735,067                 | 1.01                                   | 4,898,190                       |
| 18 | Public-4 yr               | 4,315,693                       | 239,761                      | 389,535,658                 | 1.11                                   | 7,672,352                       |
| 1  | Public Tech               | 9,000                           | 9,000                        | 5,131,092                   | .02                                    | 27,000                          |
| 5  | Public Medical            | 2,283,527                       | 456,705                      | 321,471,847                 | .71                                    | 4,110,345                       |
| 52 | Total Public              | 9,101,847                       | 175,036                      | 961,873,664                 | .95                                    | 16,707,887                      |
| 2  | Private-2 yr              | 20,000                          | 10,000                       | 1,800,000                   | 1.11                                   | 50,000                          |
| 15 | Private-4 yr              | 4,068,947                       | 271,263                      | 181,026,152                 | 2.25                                   | 11,121,783                      |
| 4  | Private Medical           | 2,811,000                       | 702,000                      | 101,562,207                 | 2.77                                   | 2,811,000                       |
| 0  | Private Legal*            |                                 |                              |                             |                                        | 271,263                         |
| 0  | Private Sem**             |                                 |                              |                             |                                        | 60,000                          |
| 21 | Total Private             | 6,899,947                       | 328,569                      | 284,388,359                 | 2.43                                   | 14,314,046                      |
| 73 | Total Public &<br>Private | 16,001,794                      | 219,203                      | 1,246,262,023               | 1.28                                   | 31,021,933                      |

\* Calculated as 4 year Private

\*\* Calculated as 2 year Private

\*\*\* Calculated as on 1978-79 Budget

TABLE IV  
RANGE OF COSTS IN DOLLARS REPORTED  
BY INSTITUTION TYPE FOR 1977-78

| Institution Type | N  | Range of Costs in Dollars |           |         |
|------------------|----|---------------------------|-----------|---------|
|                  |    | Low                       | High      | Average |
| Public           | 52 | 2,000                     | 1,300,000 | 175,036 |
| 2 Year           | 28 | 3,500                     | 229,291   | 89,058  |
| 4 Year           | 18 | 25,550                    | 504,000   | 239,761 |
| Technical        | 1  | 9,000                     | 9,000     | 9,000   |
| Medical          | 5  | 2,000                     | 1,300,000 | 456,705 |
| Private          | 21 | 1,000                     | 2,700,000 | 328,569 |
| 2 Year           | 2  | 10,000                    | 10,000    | 10,000  |
| 4 Year           | 15 | 1,000                     | 1,875,000 | 271,263 |
| Medical          | 4  | 2,500                     | 2,700,000 | 702,850 |
| Public & Private | 73 | 1,000                     | 2,700,000 | 219,203 |

### Present Impact

By collapsing and combining the percentages of those responding either highly significant and mildly significant opposed to those responding insignificant or highly insignificant it was possible to rank the impacts according to their degree of significance. (TABLE V)

The following is a ranking of present impacts and percentage of respondents reporting the impact to be 'significant' as sustained by the reporting institution when implementing and administering federally mandated social regulations.

#### Direct cost impacts

|                                           |     |
|-------------------------------------------|-----|
| Additional staff personnel                | 94% |
| Physical plant modification               | 92% |
| Additional administrative personnel       | 84% |
| Increased wages and benefits to employees | 80% |
| Additional legal expenses                 | 79% |
| Advertising expenses                      | 75% |
| Equipment safety improvements             | 73% |
| Social security taxes                     | 72% |
| Additional computer resources             | 72% |
| Operating supplies                        | 72% |
| Other direct costs                        | 62% |
| Additional court costs                    | 48% |
| Court settlements                         | 37% |

#### Indirect costs impacts

|                                       |     |
|---------------------------------------|-----|
| Increased use of staff time           | 99% |
| Supplementing aid to students         | 86% |
| Increased use of administrator's time | 83% |
| Increased use of computer resources   | 81% |
| Increased use of faculty time         | 68% |
| Technical training                    | 67% |
| Other indirect costs                  | 20% |

### Future Impact

The potential future impacts on institutions of higher education in Texas which will possibly result from implementing and administering federally mandated social regulations are ranked in the following according to the percentage of respondents reporting that the impact will likely increase in the future: (TABLE VI):

TABLE V

ATTITUDINAL MEASUREMENT OF DEGREE OF SIGNIFICANCE OF TYPES  
OF IMPACT OF INSTITUTIONS, PERCENT RESPONDING BY INSTITUTION TYPE

| TYPES OF IMPACT                        |     | DEGREE OF SIGNIFICANCE OF IMPACT, PERCENT RESPONDING BY INST TY |     |     |                    |     |     |            |     |     |               |     |     |                      |     |     |
|----------------------------------------|-----|-----------------------------------------------------------------|-----|-----|--------------------|-----|-----|------------|-----|-----|---------------|-----|-----|----------------------|-----|-----|
|                                        | N   | Highly Significant                                              |     |     | Mildly Significant |     |     | No Opinion |     |     | Insignificant |     |     | Highly Insignificant |     |     |
|                                        |     | Pub                                                             | Pri | Tot | Pub                | Pri | Tot | Pub        | Pri | Tot | Pub           | Pri | Tot | Pub                  | Pri | Tot |
| Direct Costs:                          |     |                                                                 |     |     |                    |     |     |            |     |     |               |     |     |                      |     |     |
| Additional Staff Personnel             | 103 | 34                                                              | 15  | 49  | 29                 | 16  | 45  | 2          | 0   | 2   | 2             | 2   | 4   | 1                    | 0   | 1   |
| Additional Administrative Personnel    | 100 | 23                                                              | 8   | 31  | 36                 | 22  | 58  | 1          | 0   | 1   | 6             | 4   | 10  | 0                    | 0   | 0   |
| Increase Wages & Benefits to employees | 100 | 20                                                              | 14  | 34  | 33                 | 13  | 46  | 4          | 1   | 5   | 9             | 4   | 13  | 1                    | 1   | 2   |
| Physical Plant Modification            | 101 | 35                                                              | 14  | 49  | 20                 | 13  | 33  | 2          | 0   | 2   | 9             | 5   | 14  | 2                    | 1   | 3   |
| Social Security Taxes                  | 99  | 23                                                              | 13  | 36  | 21                 | 15  | 36  | 9          | 1   | 10  | 9             | 2   | 11  | 4                    | 2   | 6   |
| Additional Computer Resources          | 100 | 23                                                              | 10  | 33  | 28                 | 11  | 39  | 4          | 4   | 8   | 10            | 7   | 17  | 2                    | 1   | 3   |
| Additional Legal Expenses              | 101 | 37                                                              | 13  | 50  | 13                 | 7   | 20  | 4          | 3   | 7   | 11            | 8   | 19  | 2                    | 1   | 3   |
| Additional Court Costs                 | 98  | 22                                                              | 3   | 25  | 14                 | 9   | 23  | 13         | 7   | 20  | 12            | 9   | 21  | 5                    | 4   | 9   |
| Court Settlements                      | 96  | 11                                                              | 3   | 14  | 18                 | 5   | 23  | 19         | 11  | 30  | 11            | 8   | 19  | 8                    | 4   | 12  |
| Equipment Safety Improvements          | 99  | 21                                                              | 5   | 26  | 29                 | 18  | 47  | 7          | 2   | 9   | 9             | 7   | 16  | 0                    | 1   | 1   |
| Operating Supplies                     | 98  | 11                                                              | 3   | 14  | 38                 | 20  | 58  | 5          | 3   | 8   | 11            | 5   | 16  | 1                    | 2   | 3   |
| Advertising Expenses                   | 100 | 24                                                              | 4   | 28  | 30                 | 17  | 47  | 5          | 4   | 9   | 7             | 7   | 14  | 1                    | 1   | 2   |
| Other                                  | 11  | 45                                                              | 0   | 45  | 0                  | 18  | 18  | 18         | 9   | 27  | 0             | 0   | 0   | 0                    | 9   | 9   |
| Indirect Costs:                        |     |                                                                 |     |     |                    |     |     |            |     |     |               |     |     |                      |     |     |
| Increased use of administrators time   | 104 | 52                                                              | 22  | 73  | 14                 | 10  | 24  | 0          | 0   | 0   | 2             | 1   | 3   | 0                    | 0   | 0   |
| Increased use of faculty time          | 103 | 17                                                              | 4   | 21  | 31                 | 16  | 47  | 7          | 2   | 9   | 11            | 11  | 22  | 2                    | 1   | 3   |
| Increased use of staff time            | 103 | 46                                                              | 16  | 62  | 20                 | 17  | 37  | 0          | 0   | 0   | 2             | 0   | 2   | 0                    | 1   | 0   |
| Supplementing Aid to students          | 99  | 27                                                              | 14  | 41  | 29                 | 16  | 45  | 5          | 1   | 5   | 5             | 2   | 7   | 1                    | 0   | 1   |
| Increased use of computer resources    | 100 | 31                                                              | 8   | 39  | 27                 | 15  | 42  | 1          | 2   | 3   | 7             | 6   | 13  | 2                    | 1   | 3   |
| Technical training                     | 98  | 13                                                              | 5   | 18  | 36                 | 13  | 49  | 9          | 5   | 14  | 9             | 6   | 15  | 0                    | 3   | 3   |
| Other                                  | 5   | 20                                                              | 0   | 20  | 0                  | 0   | 0   | 20         | 40  | 60  | 0             | 0   | 0   | 0                    | 20  | 20  |

TABLE VI

ATTITUDINAL MEASUREMENT OF DEGREE OF FUTURE SIGNIFICANCE OF TYPES  
OF IMPACT ON INSTITUTIONS, BY INSTITUTION TYPE AND PERCENT

| TYPES OF IMPACT                         |    | FUTURE SIGNIFICANCE OF IMPACT |     |       |               |     |       |                      |     |       |
|-----------------------------------------|----|-------------------------------|-----|-------|---------------|-----|-------|----------------------|-----|-------|
|                                         | N  | Will Increase                 |     |       | Will Decrease |     |       | Will Remain the Same |     |       |
|                                         |    | Pub                           | Pri | Total | Pub           | Pri | Total | Pub                  | Pri | Total |
| Direct Costs:                           |    |                               |     |       |               |     |       |                      |     |       |
| Additional Staff Personnel              | 93 | 55                            | 23  | 78    | 1             | 0   | 1     | 14                   | 8   | 22    |
| Additional Administrative Personnel     | 90 | 52                            | 17  | 59    | 0             | 0   | 0     | 17                   | 14  | 31    |
| Increased Wages & Benefits to Employees | 92 | 54                            | 23  | 77    | 2             | 1   | 3     | 13                   | 6   | 19    |
| Physical Plant Modification             | 89 | 49                            | 22  | 71    | 9             | 1   | 10    | 12                   | 5   | 17    |
| Social Security Taxes                   | 87 | 53                            | 28  | 81    | 0             | 1   | 1     | 16                   | 2   | 18    |
| Additional Computer Resources           | 91 | 54                            | 22  | 76    | 1             | 0   | 1     | 16                   | 7   | 23    |
| Additional Legal Expenses               | 90 | 59                            | 17  | 76    | 1             | 0   | 1     | 11                   | 12  | 23    |
| Additional Court Costs                  | 83 | 51                            | 13  | 64    | 1             | 0   | 1     | 19                   | 16  | 35    |
| Court Settlements                       | 84 | 46                            | 14  | 60    | 1             | 0   | 1     | 24                   | 14  | 38    |
| Equipment Safety Improvement            | 92 | 53                            | 23  | 76    | 2             | 1   | 3     | 14                   | 7   | 21    |
| Operating Supplies                      | 93 | 47                            | 23  | 70    | 0             | 0   | 0     | 23                   | 8   | 31    |
| Advertising Expenses                    | 90 | 48                            | 20  | 68    | 1             | 0   | 1     | 22                   | 9   | 31    |
| Other                                   | 6  | 83                            | 0   | 83    | 0             | 0   | 0     | 0                    | 17  | 17    |
| Indirect Costs:                         |    |                               |     |       |               |     |       |                      |     |       |
| Increased Use of Administrators Time    | 87 | 66                            | 26  | 92    | 0             | 0   | 0     | 5                    | 3   | 8     |
| Increased Use of Faculty Time           | 84 | 45                            | 14  | 59    | 0             | 0   | 0     | 24                   | 17  | 41    |
| Increased Use of Staff Time             | 88 | 66                            | 27  | 93    | 0             | 0   | 0     | 5                    | 2   | 7     |
| Supplementing Aid to Students           | 84 | 46                            | 23  | 69    | 4             | 0   | 4     | 20                   | 7   | 27    |
| Increased Use of Computer Resources     | 82 | 56                            | 22  | 78    | 0             | 0   | 0     | 13                   | 9   | 22    |
| Technical Training                      | 75 | 51                            | 23  | 74    | 0             | 0   | 0     | 19                   | 8   | 27    |
| Other                                   | 3  | 67                            | 0   | 67    | 0             | 0   | 0     | 0                    | 33  | 33    |

#### Future direct cost impacts

|                                           |     |
|-------------------------------------------|-----|
| Other direct cost impacts                 | 83% |
| Social security taxes                     | 81% |
| Additional staff personnel                | 78% |
| Increased wages and benefits to employees | 77% |
| Additional legal expenses                 | 76% |
| Additional computer resources             | 76% |
| Equipment safety improvements             | 76% |
| Physical plant modification               | 71% |
| Operating supplies                        | 70% |
| Advertising expenses                      | 68% |
| Additional court costs                    | 64% |
| Court settlements                         | 60% |
| Additional administrative personnel       | 59% |

#### Future indirect cost impacts

|                                       |     |
|---------------------------------------|-----|
| Increased use of staff time           | 93% |
| Increased use of administrator's time | 92% |
| Increased use of computer resources   | 78% |
| Technical training                    | 74% |
| Supplementing aid to students         | 69% |
| Other indirect cost impacts           | 67% |
| Increased use of faculty time         | 59% |

#### OBJECTIVES OF THE STUDY

Incorporated within the primary purpose of this study were seven objectives to be accomplished through responses to the questionnaire. A summary of the findings for each of these objectives is presented in the following.

##### Objective 3a

To identify Texas institutions which have prepared studies of the problem.

Only 4 of 72 public institutions and 6 of 35 private institutions have conducted studies to determine the cost to and impact on their institutions of implementing and administering federally mandated social regulations. This represents less than 10% of the 107 institutions responding to the question. The names and types of the institutions which have conducted studies were identified in the Findings on the original study.

Only eight of the public institutions and two of the private institutions, or approximately ten percent of all institutions responding, indicated that the institution

had plans for initiating cost studies. These institutions are also identified by name and type in the Findings of the original study.

Objective 3b

To identify Texas institutions which have established accounting or budgetary systems to identify the costs of implementing and administering federally mandated social regulations.

Response to the question indicated that only 3 of 72 public institutions and 3 of 33 private institutions have incorporated into their accounting or budgetary systems methods of identifying the costs of implementing and administering federally mandated social regulations. This indicates that only approximately six percent of all Texas institutions can properly identify the types of costs under discussion. The names and types of institutions which have established these accounting or budgetary systems are identified in the Findings of the original study.

A possible explanation for the lack of accounting or budgetary systems to determine costs was determined when administrators were questioned whether they believed that an accounting system could be designed which would accurately determine costs. Over one-half of the respondents did not believe such a system could be designed.

Objective 3c

To provide data regarding the actual or estimated costs of implementing and administering federally mandated social regulations.

In addition to data previously presented in the analysis of the hypotheses and research questions, each recipient of the questionnaire was asked separately whether added costs have been incurred by the institution when implementing and administering federally mandated social regulations. Over ninety-three percent of all institutions reported that added costs have been incurred.

Also, when institutions were asked to report their added costs for 1977-78, as analyzed in research question one, the administrators were asked if these dollar costs would increase, decrease, or remain the same in the future. The response was almost unanimous; ninety-seven percent, in agreement that future costs will increase over present costs when implementing and administering federally mandated social regulations.

Objective 3d

To determine whether the one-time costs of implementing selected types of federally mandated social regulations differ from the annual costs of administering these types of regulations.

For each of seven identified types plus another category of federal social regulations, recipients of the questionnaire were asked to provide their estimated cost in dollars for (1) one-time cost of implementing these regulations; (2) estimated annual cost of administering these regulations; and (3) their belief as to whether these costs will decrease, increase or remain the same. A total of 56 public institutions and 21 private institutions responded to some part of the request for cost information. One-time costs of the reporting institutions for implementing all types of regulations was \$16.5 million as opposed to \$10.3 million annual cost of administering these regulations. (TABLE VII)

By averaging the cost reported per type of regulation it was possible to project the total cost for all institutions within the State of Texas. (TABLE VIII) The one-time cost of implementing federally mandated social regulations was \$56.6 million for all institutions in Texas opposed to an estimated annual cost of administering these regulations of \$32.6 million. Since the number of institutional responses varied greatly by regulation type, these cost data are believed to provide a high and a low range of estimates. Therefore, one-time costs for implementing federally mandated social regulations range from \$16.5 million to \$56.6 million; and the annual cost for administering these regulations range from \$10.3 to \$32.6 million.

The analysis also provided average cost data per institution type. Public institutions had a one-time implementation average cost of \$476,531, whereas the private institutions average cost was \$165,657. The annual cost for administering these regulations differs, with private institutions being higher than public institutions, \$352,667 opposed to \$233,481. These average costs compare with the \$362,885 average one-time costs for all institutions and \$208,552 annual cost of administration for all institutions.

TABLE VII

COST OF SELECTED FEDERAL SOCIAL REGULATIONS: ONE-TIME COST OF IMPLEMENTING AND ANNUAL COST FOR ADMINISTERING AS REPORTED IN DOLLARS BY 56 PUBLIC AND 21 PRIVATE INSTITUTIONS OF HIGHER EDUCATION IN TEXAS  
(n<sub>1</sub> Public=56; n<sub>2</sub> Private=21)

| Regulation Type                                  | Cost for Private Institutions |           | Cost for Public Institutions |           | Cost for All Institutions |            |
|--------------------------------------------------|-------------------------------|-----------|------------------------------|-----------|---------------------------|------------|
|                                                  | One-Time \$                   | Annual \$ | One-Time \$                  | Annual \$ | One-Time \$               | Annual \$  |
| Discrimination and Affirmative Action            | 297,200                       | 345,400   | 2,005,137                    | 1,445,842 | 2,302,337                 | 1,791,242  |
| Rehabilitation of Handicapped                    | 339,800                       | 75,000    | 4,811,297                    | 977,042   | 5,151,097                 | 1,052,042  |
| Employment Practices (Excluding Social Security) | 153,000                       | 260,800   | 509,623                      | 455,343   | 662,623                   | 716,143    |
| Financial Aid to Students                        | 312,000                       | 836,600   | 2,959,324                    | 3,631,924 | 3,271,324                 | 4,468,524  |
| Work Environment                                 | 224,000                       | 225,500   | 4,054,109                    | 1,229,254 | 4,278,109                 | 1,454,754  |
| Private vs. Public Information                   | 60,000                        | 44,700    | 159,782                      | 129,499   | 219,782                   | 174,199    |
| Developmental Aid to Institutions                | 13,000                        | 181,500   | 16,000                       | 79,910    | 39,000                    | 261,410    |
| Other                                            | 90,000                        | 87,000    | 517,764                      | 381,085   | 607,764                   | 468,085    |
| Total                                            | 1,489,000                     | 1,989,000 | 15,033,036                   | 8,329,899 | 16,532,036                | 10,386,399 |

Above does not include annual costs reported by 1 public medical institution of \$6,000,000 for Discrimination and Affirmative Action, \$1,500,000 for Employment Practices, \$2,500,000 for Work Environment, and \$1,800,000 for Other Costs which would skew the totals.

TABLE VIII

COST OF SELECTED FEDERAL SOCIAL REGULATIONS: ONE-TIME COST OF IMPLEMENTING AND ANNUAL COST FOR ADMINISTERING AS PROJECTED IN DOLLARS BY ALL PUBLIC AND PRIVATE INSTITUTIONS OF HIGHER EDUCATION IN TEXAS

| Regulation Type                                  | Cost for Private Institutions |            | Cost for Public Institutions |            | Cost for All Institutions |            |
|--------------------------------------------------|-------------------------------|------------|------------------------------|------------|---------------------------|------------|
|                                                  | One-Time \$                   | Annual \$  | One-Time \$                  | Annual \$  | One-Time \$               | Annual \$  |
| Discrimination and Affirmative Action            | 1,411,719                     | 1,158,126  | 4,726,359                    | 2,556,081  | 6,138,078                 | 3,714,207  |
| Rehabilitation of Handicapped                    | 2,152,092                     | 427,500    | 12,213,333                   | 2,203,037  | 14,356,425                | 2,630,537  |
| Employment Practices (Excluding Social Security) | 872,100                       | 1,061,853  | 1,868,625                    | 1,325,808  | 2,740,725                 | 2,387,661  |
| Financial Aid to Students                        | 1,482,000                     | 2,270,766  | 7,324,317                    | 6,420,744  | 8,806,317                 | 8,691,510  |
| Work Environment                                 | 1,064,019                     | 856,881    | 12,947,022                   | 3,202,551  | 14,011,041                | 4,059,432  |
| Private vs. Public Information                   | 380,019                       | 195,966    | 510,246                      | 320,463    | 890,265                   | 516,429    |
| Developmental Aid to Institutions                | 370,500                       | 3,448,500  | 264,033                      | 1,130,184  | 624,533                   | 4,578,684  |
| Other                                            | 1,710,000                     | 1,239,950  | 7,322,634                    | 5,955,714  | 9,032,634                 | 5,955,714  |
| Total                                            | 9,442,449                     | 20,101,991 | 47,176,569                   | 23,114,582 | 56,610,018                | 32,534,174 |
| \$ Average Per Institution                       | 165,657                       | 352,667    | 476,531                      | 233,481    | 362,885                   | 208,552    |

Rehabilitation of the handicapped and work environment regulations have the greatest one-time cost of implementation, followed by financial aid to students, and discrimination and affirmative action types of regulations. Those regulation types with the highest annual cost of administration include financial aid to students, developmental aid to institutions, and work environment types.

The "other" category of types of regulations having a one-time cost were written in by respondents and included Veterans Administration, CETA, HEGIS, Title IX and EPA (car pool and mass transit). Respondents included Veterans Administration services and reports, CETA, EPA and health legislation within the "other" category for regulations having an annual cost.

A majority of the respondents, 70% or more, believed that the future costs of implementing and administering the following types of regulations will increase: discrimination and affirmative action, rehabilitation of the handicapped, employment practices and policies, financial aid to students, work environment and "other." Approximately one-half of the respondents believed private versus public information and developmental aid to institution types of regulatory cost would increase in the future.

#### Objective 3e

To determine the extent to which the costs of implementing and administering federally mandated social regulations are shifted from public and private institutions to the state government and other sources of revenue.

Recipients of the questionnaire were asked to identify where the revenues have been generated to cover the added costs of implementing and administering federally mandated social regulations since 1973 and to place their estimates of the percent of revenue derived from each of the ten revenue sources identified. Two additional 'other' revenue source spaces were provided for write-in responses. One of the 'other' categories was grouped from responses into local taxes.

The percentage of revenue source by type reported by each institution was multiplied by the added cost in dollars reported by that particular institution for the 1977-78 academic year. By adding the total dollars of each revenue source by the

reporting institution's academic level and type percentages could be more accurately determined from the total added dollar cost within each academic level and type. These data indicate the manner in which the costs of implementing and administering federally mandated social regulations have been shifted from public and private institutions, in some instances, to the state government and to other sources of revenue. In other instances, the manner in which institutions have internally absorbed these added costs is determined.

Thirty-eight percent of the revenue to cover the added cost of implementing and administering federally mandated social regulations for public institutions has come from the state government opposed to approximately 22% from the state government to private institutions. The other sources of revenue for public institutions included 7.83% from the federal government, 4.45% from local taxes, 3.06% from reductions in academic programs, 2.88% from tuition increases, 2.69% from student service fee increases, and 34.03% from 'other' sources of revenue. (TABLE IX)

The other sources of revenue for private institutions included 42.79% from tuition increases, 7.42% from endowment funds, 5.65% from the federal government, 2.12% from deficit financing, and 17.64% from other revenue sources.

The 'other' category of sources of revenue for both public and private institutions provided more than forty different written sources, many of which could have been incorporated into one of the identified categories. Some of these 'other' responses included: housing, clinics, reserves, gifts, medical services, operating budgets, auxiliary enterprises, interest, capital campaign drives, grant funds, supplies and equipment costs, deferred institutional support programs, increased workloads and others.

While differences exist in sources of revenue for public and private institutions, even greater differences were found to exist between different academic level of types of institutions. Tuition increases, as an example, provided 72% of the revenue for four-year private institutions to cover the added cost of implementing and administering

TABLE IX

SOURCES OF REVENUE TO COVER ADDED COSTS IN PERCENT  
BY INSTITUTION TYPE, PUBLIC AND PRIVATE,  
AND ACADEMIC LEVEL

|                          | Tuition | Student Service Fees | Building Use Fees | Reduction in Faculty | Reduction in Support Personnel | Reduction in Academic Program | State Government | Federal Government | Endowment Funds | Deficit Financing | Local Taxes | Other |
|--------------------------|---------|----------------------|-------------------|----------------------|--------------------------------|-------------------------------|------------------|--------------------|-----------------|-------------------|-------------|-------|
|                          | %       | %                    | %                 | %                    | %                              | %                             | %                | %                  | %               | %                 | %           | %     |
| Public Institutions      |         |                      |                   |                      |                                |                               |                  |                    |                 |                   |             |       |
| 2 Year                   | 10.72   | 5.23                 | 2.82              | .79                  | 3.24                           | .20                           | 30.33            | 15.46              |                 |                   | 8.80        | 12.41 |
| 4 Year                   | .60     | 2.87                 | 1.76              |                      | 8.37                           | 2.74                          | 39.04            | 5.76               |                 |                   |             | 38.86 |
| Technical                |         |                      |                   |                      |                                |                               |                  |                    |                 |                   |             |       |
| Medical, Allied Health   |         |                      |                   |                      |                                | 6.30                          | 44.19            | 4.72               |                 |                   |             | 44.79 |
| Total Public             | 2.88    | 2.69                 | 1.56              | .19                  | 4.93                           | 3.06                          | 38.29            | 7.83               |                 |                   | 4.45        | 34.03 |
| Private Institutions     |         |                      |                   |                      |                                |                               |                  |                    |                 |                   |             |       |
| 2 Year                   | 10.0    | 16.67                | 16.67             |                      |                                |                               |                  |                    |                 | 16.67             |             | 40.00 |
| 4 Year                   | 72.17   | 2.42                 | .25               | .78                  | .79                            |                               | 1.56             | 2.90               | 9.36            | 3.26              |             | 6.51  |
| Medical, Allied Health   | 1.88    |                      |                   |                      |                                |                               | 50.32            | 9.53               | 4.76            | .44               |             | 33.07 |
| Legal                    |         |                      |                   |                      |                                |                               |                  |                    |                 |                   |             |       |
| Seminary                 |         |                      |                   |                      |                                |                               |                  |                    |                 |                   |             |       |
| Total Private            | 42.15   | 1.46                 | .20               | .45                  | .46                            |                               | 21.81            | 5.65               | 7.42            | 2.12              |             | 17.64 |
| Total Public and Private | 20.69   | 2.14                 | .95               | .31                  | 2.93                           | 1.70                          | 30.94            | 6.85               | 3.31            | .95               | 2.51        | 26.72 |

the added cost of federally mandated social regulations during the 1977-78 academic year; whereas tuition increases for four-year public institutions provided less than one percent of the revenue to cover added costs.

Increases in tuition cost, student service fees and building use fees tend to be student-burden types of revenue. By adding these three revenue sources together, by the academic level and type of institution, it is possible to detect some shifting of the added cost of federally mandated social regulations to the student population. This is particularly true among two-year public institutions, two-year private institutions, and four-year private institutions.

#### Objective 3f

To examine alternative solutions or approaches by which institutions of higher education may absorb, transfer, or eliminate the costs incurred when implementing and administering federally mandated social regulations.

In order to accomplish this objective two questions were formulated from the study of the literature regarding the problem. The first question included possible solutions that tend to be controlled to some degree by administrators' actions, and the second question made up of a series of proposals directed to the federal level of government by which the problems of federally mandated social regulations may be reduced. The following presents a summary of the findings for these two questions.

#### Administrator controlled solutions

Recipients of the questionnaire were asked to indicate their attitude as to the effectiveness of seventeen alternative solutions or approaches by which higher education institutions can absorb, transfer, or eliminate the costs incurred when implementing and administering federally mandated social regulations. A seven point continuous scale moving from a poor, ineffective alternative to a good, effective alternative was provided with a request to check the rating which best described the effectiveness of the approach. For purposes of analysis, the responses were categorized as poor, mixed, and good. All rating of 1 and 2 were grouped as a poor rating; and 6

and 7 ratings were grouped as a good alternative. These three groups are shown in percentages of total response. (TABLE X)

The alternative solutions indicated by a majority of the administrators of institutions of higher education in Texas to be poor, ineffective solutions include: increasing tuition, increasing student fees, increasing building use fees, reducing faculty positions, reducing staff positions, reducing administrative positions, generating new funds from the public, generating new funds from the institutional sponsor, generating new funds from profit-making auxiliary enterprises, reducing endowment funds, reducing institutional financial reserves, not accepting federal funds, and ignoring regulations.

The alternative solutions that a majority of the administrators believed to be good, effective solutions included only seeking supplemental funds from the federal government and the 'other' category. This 'other' category of written responses included either that all costs should be passed on to the federal government, or that regulations should be eliminated.

Alternative solutions offered in which less than a majority agreed on the solution being either a poor or a good solution, and tended to be more of a mixed response included the following alternative solutions: seeking supplemental funds from the state government, seeking supplemental funds from grants, and delaying the implementation of regulations.

#### Federally controlled proposals

A five part Likert scale was used to determine the respondents degree of agreement as to the effectiveness of a series of sixteen proposals directed to the federal level by which the problems of federally mandated social regulations may be reduced. These proposals were drawn from the review of the literature and were generally found as recommendations of various study groups and commissions studying the problem. By

TABLE X

EFFECTIVENESS OF SOLUTIONS FOR ABSORBING, TRANSFERING OR ELIMINATING THE COST INCURRED  
WHEN IMPLEMENTING AND ADMINISTERING FEDERALLY MANDATED SOCIAL REGULATIONS:  
MEDIAN AND PERCENT RESPONSE FOR ALL INSTITUTIONS

| ALTERNATIVE SOLUTIONS               | N   | EFFECTIVENESS* |       |        |       |
|-------------------------------------|-----|----------------|-------|--------|-------|
|                                     |     | MEDIAN         | POOR% | MIXED% | GOOD% |
| Increase:                           |     |                |       |        |       |
| Tuition                             | 105 | 1.542          | 60.9  | 31.5   | 7.6   |
| Student Fees                        | 103 | 1.844          | 60.2  | 33.9   | 5.8   |
| Building Use fees                   | 101 | 1.402          | 62.3  | 31.7   | 6.0   |
| Reduce:                             |     |                |       |        |       |
| Faculty Positions                   | 104 | 1.142          | 88.5  | 9.6    | 2.0   |
| Staff Positions                     | 104 | 1.313          | 79.8  | 16.3   | 3.9   |
| Administrative Positions            | 104 | 1.276          | 81.7  | 15.4   | 2.9   |
| Seek Supplemental Funds From:       |     |                |       |        |       |
| State Government                    | 101 | 4.933          | 22.8  | 35.7   | 41.6  |
| Federal Government                  | 102 | 6.677          | 10.8  | 11.8   | 77.5  |
| Grants                              | 104 | 4.773          | 27.0  | 30.8   | 42.3  |
| Generate New Funds From:            |     |                |       |        |       |
| Public                              | 103 | 1.800          | 63.7  | 15.7   | 20.5  |
| Institution Sponsor                 | 98  | 1.407          | 64.3  | 24.4   | 11.2  |
| Profit Making Auxiliary Enterprises | 101 | 1.302          | 74.3  | 20.8   | 5.0   |
| Reduction In:                       |     |                |       |        |       |
| Endowment Funds                     | 99  | 1.096          | 90.9  | 8.0    | 1.0   |
| Institutional financial reserves    | 102 | 1.114          | 88.3  | 11.8   |       |
| Do No Accept Federal Funds          | 100 | 1.591          | 60.0  | 21.0   | 19.0  |
| Delay Implementing Regulations      | 101 | 3.647          | 40.6  | 35.6   | 23.8  |
| Ignore Regulations                  | 101 | 1.243          | 78.2  | 10.0   | 11.9  |
| Other                               | 8   | 6.700          | 25.0  | 12.5   | 62.5  |

\* Note: A 7 part continuous scale was used to determine the degree of effectiveness 1=Poor, in effective alternative; 7=Good, effective alternative Poor % combines points 1 and 2; Mixed % combines points 3,4 and 5; Good % combine points 6 and 7.

collapsing and combining the percentages of those responding "strongly agree" and "mildly agree" into an "agree" group, and "mildly disagree" and "strongly disagreed" into a "disagree" group, the views of administrators become more directed. Each of the statements and its analysis is included in the following.

1. Higher education institutions should be involved in forming the legislation and the regulations. Ninety-five percent of all administrators agreed with this statement.
2. Cost-impact-benefit studies should be made of all laws and regulation. Ninety-one percent of all administrators agreed with this statement.
3. One agency should be given responsibility for all regulations applying to higher education. Sixty-nine percent of all administrators agreed with this statement. Twenty-three percent disagreed with this statement.
4. One agency should be given responsibility for all activities in one area (i.e., discrimination and affirmative action). Eighty-one percent of all administrators agreed with this statement.
5. Data collection requests should be consolidated and coordinated by one agency. Ninety percent of all administrators agreed with this statement.
6. Legislative mandates requiring improvements in physical plant should be funded by the federal government. Eighty-seven percent of all administrators agreed with this statement.
7. A common student aid application form should be used for all federal student aid programs. Ninety percent of all administrators agreed with this statement.
8. The institution should be reimbursed for the total cost of administering student aid programs. Eighty-two percent of all administrators agreed with this statement.
9. A review board should be established for the purpose of reducing and settling conflicts between institutions and federal agencies, thus avoiding court involvement. Seventy-four percent of all administrators agreed with this statement.

10. Special federal funding should be made available for the implementation, compliance and administration of the Rehabilitation Act of 1973. Eighty-seven percent of all administrators agreed with this statement.
11. Colleges and universities should have notice of federal agency acquisition plans at least nine months prior to the start of a school year. Sixty-six percent of all administrators agreed with this statement. Thirty-one percent of the respondents held no opinion.
12. Grant assistance should be made available to institutions when initiating start-up programs. Eighty-one percent of all administrators agreed with this statement.
13. Grant assistance should be made available to institutions when capital expenditures are mandated. Ninety-two percent of all administrators agreed with this statement.
14. Grant assistance should be made available to institutions when court decisions require substantial expenditures. Eighty-four percent of all administrators agreed with this statement.
15. The threat of losing all federal funds for non-compliance should be reduced to losing an amount more in keeping with the nature of the fault. Ninety-three percent of all administrators agreed with this statement.
16. By not accepting federal funds you can avoid compliance with federal regulation. Thirty-three percent of all administrators agreed with this statement while sixty-one percent disagreed, and the balance held no opinion.

Objective 3g

To determine the present and potential future impact on public and private institutions of higher education in Texas which results from costs incurred in implementing and administering federally mandated social regulations.

The findings to this objective have been previously reviewed under both the Analysis of the Hypotheses and the Research Questions. However, in order to provide additional data regarding the types of impacts which center upon an institution's administrative functions, a series of fourteen statements of impact were drawn from the litera-

ture and incorporated into the questionnaire.

A five part Likert scale was used to determine the respondents degree of agreement with each statement related to the impact upon the respondent's institution resulting from the implementation and administration of federally mandated social regulations. By collapsing and combining the percentages of those responding 'strongly agree' and 'mildly agree' into an 'agree' group and those responding 'strongly disagree' and 'mildly disagree' into a 'disagree' group, a more meaningful consensus can be presented. Each of the statement and its findings is included in the following.

1. Federally mandated social regulations have aided the institution in accomplishing the goals of the institution's role and scope. Thirty-three percent of all administrators agreed with this statement whereas sixty-two percent disagreed.
2. The costs of regulation and review alter educational priorities. Seventy-six percent of all administrators agreed with this statement.
3. The institution finds that its goals and its operations have been redirected by regulatory forces that have become a threat to institutional autonomy. Seventy-one percent of all administrators agreed with this statement whereas twenty-two percent disagreed.
4. Current demands by federal regulatory agencies have adversely impacted on the area of university governance. Sixty-nine percent of all administrators agreed with this statement with sixteen percent disagreeing.
5. Current demands by federal regulatory agencies have adversely impacted on the areas of planning and management. Eighty-two percent of all administrators agreed with this statement while ten percent disagreed.
6. Current demands by federal regulatory agencies have adversely impacted on the area of finance. Sixty-eight percent of all administrators agreed with this statement and eighteen percent disagreed.
7. Current demands by federal regulatory agencies have adversely impacted on the

- area of educational programs. Sixty-eight percent of all administrators agreed with this statement and eighteen percent disagreed.
8. Current demands by federal regulatory agencies have adversely impacted on the area of state educational systems (with impact on the institution). Sixty-two percent of the administrators agreed with the statement with only five percent disagreeing. Thirty-three percent of the administrators held no opinion.
  9. Current demands by federal regulatory agencies have adversely impacted on the area of national accrediting association (with later impact on the institution). Fifty-six percent of all administrators agreed with this statement and ten percent of the administrators held no opinion.
  10. The magnitude of federal funds has grown to the point that the institution is now economically dependent on such funds. Fifty-eight percent of all administrators agreed with this statement and thirty-nine percent disagreed.
  11. The burden of higher costs has shifted disproportionately to students. Twenty-eight percent of all administrators agreed with this statement while sixty-six percent disagreed.
  12. Federal regulations have accelerated the centralization and control of the administrative function. Sixty-seven percent of all administrators agreed with this statement and twenty-three percent disagreed.
  13. Legal council is now essential to institutional administration. Ninety-three percent of all administrators agreed with this statement with only five percent expressing disagreement.
  14. A greater interest in collective bargaining and unionism is evident. Forty-seven percent of all administrators agreed with this statement and twenty-eight percent disagreed. Twenty-five percent of the administrators held no opinion regarding the statement.

## RECOMMENDATIONS OF THE STUDY

### Hypotheses

It is recommended that further study be made of the hypotheses to determine if different findings occur when comparing public and private institutions of the same academic level. Also, it is recommend that the study be replicated using a national sample, randomly selected, in order to determine whether sampling randomly provides different statistical findings than does the sample of the total universe. In addition, it appears that national cost data is an essential pre-requisite to the expected relief that institutions of higher education desire of the Federal Government.

### Research Questions

It is recommended that the dollar cost data be further analyzed. By generating a data base of institutional characteristics, including student and financial data from data previously collected by the Coordinating Board and the National Center for Educational Statistics, it would be possible to provide the cost per type of institutional characteristic.

It is recommended that individual institutions make an effort to isolate both direct and indirect cost impacts, and be able to place a dollar cost on each type.

### Objectives of the Study

It is recommended that each institution develop its own cost-impact studies, perhaps beginning with a study of each of the regulatory types.

It is recommended that the American Institute of Certified Public Accountants improve upon accounting procedures for isolating the costs of federally mandated social regulations.

It is recommended that the State Government improve its lobbying efforts at the federal level toward reducing the number and complexity of federally mandated social regulations.

It is recommended that the Federal Government implement more of the recommendations for simplification and reduction of regulatory problems which have been studied by commissions at the federal level. It is also recommended that the Federal Government study the feasibility of codifying federal social legislation in an effort to simplify compliance with the intent of the legislation.

It is recommended that additional study be directed toward finding solutions by which institutions of higher education can reduce or eliminate the costs incurred when implementing and administering federally mandated social regulations.

## VITA

Author's Name: Nelson L. Thornton, Jr.

Date of Birth: January 17, 1926; Place of Birth: Dallas, Texas

Parents: Mr. Nelson L. Thornton and Mrs. Genia Allen Thornton

### Education Background:

Southern Methodist University, Dallas, Texas

Received Bachelor of Business Administration degree in January 1947 with a major in marketing and minors in finance and general business.

North Texas State University, Denton, Texas

Received Master of Business Administration degree in January of 1964 with a major in management and a minor in economics. A thesis was completed.

North Texas State University, Denton, Texas

Received Ph.D. in marketing in May 1973 with supporting field emphasis in management, finance and economics.

Texas A&M University, College Station, Texas

Ph.D. pending May, 1980. Major in Educational in sociology and educational curriculum and instruction.

### Teaching Experience:

Teaching fellow, North Texas State University, 1966-69

Lecturer, part-time, Southern Methodist University 1969-70

Professor of Management and Marketing, Sam Houston State University, 1970 to present.

### Business Experience:

Adleta Company, Dallas, Texas, Sales and Management 1947-1970

### Military Service:

U.S. Marine Corps., February 1943 to October 1945.